

NEW SOUTH WALES

BUSINESS STATISTICS - MONTHLY DIGEST

7th October, 1941.

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BUSINESS STATISTICS - MONTHLY DIGEST.

OCTOBER, 1941.

GENERAL: Business conditions are very buoyant, due primarily to war spending and expansion of war industries. Purchasing power has increased; in June Qr., 1941 deposits in trading banks and notes held outside the Commonwealth Bank in Australia were 14 p.c. greater than in June Qr., 1939. This reflects records in employment and in wage earnings, and creates problems of control of consumption to curb competition with war production.

The trading banks have given the Government a firm undertaking that advances and overdrafts will continue to be made only in accordance with Government policy, that they will deposit surplus loanable funds with the Commonwealth Bank at low rates of interest, and that they will so conduct their business that large wartime profits shall not accrue.

The Fadden Government was defeated on Oct. 3, 1941 and a Labour Government has been formed. The new Government is pledged to use the utmost vigour in achieving for Australia its greatest possible war effort. Mr. Curtin has announced that administrative acts of the former Government are unlikely to be changed materially. A war and conversion loan of £100m. (£70m. for conversion) opens on Oct. 7, 1941.

The industrial war effort (still expanding) impressed the British Supply Mission. Much war material is being supplied to Britain, Empire and Allied countries - of this the estimate for 1941-42 is £55m. Labour supply is another obdurate problem and a large proportion of men called up for militia service have necessarily had service postponed to avert disturbance to essential industries.

The rural outlook is not bright but is capable of considerable improvement if substantial rain falls soon.

EMPLOYMENT. There were 912,158 persons employed in N.S.W. in the middle week of August, 1941. Since Aug., 1939 the increase was 80,400. Adult males registered as unemployed at State Labour Exchanges were - 13,706 in Aug., 1941, 27,468 in Aug., 1940 and 52,851 in Aug., 1939.

There has been a considerable increase in the number of women and girls in employment but the ratio of females to males has, as yet, not changed greatly. Problems of manpower are under close investigation. The following statement shows the dominance of industrial development in the wartime expansion of employment:-

EMPLOYMENT IN NEW SOUTH WALES.

Excluding Relief Workers and Men in the Armed Forces not on Civil Paysheets.

Middle week of -	ALL EMPLOYMENT.			EMPLOYED BY FIRMS WITH TEN OR MORE EMPLOYEES.						
	Total Employment.	Private Employment.	In All Factories. ϕ	Mines	Retail Trade.	Whole-sale Trade.	Offices & Commerce	Shipy. & Rd. Tnspt.	Personal Services ⁺	Other Industries.
	Number of Persons Employed - Thousands.									
Aug., 1939(a)	831.8	680.3	228.7	21.7	51.3	25.4	27.1	20.7	29.3	20.2
" 1940	872.0	714.7	248.3	21.0	51.7	25.9	29.1	21.4	29.7	20.4
June, 1941	908.7	748.5	276.3	20.8	53.1	26.6	29.0	20.7	31.8	17.6
July, "	910.4	746.7	278.7	21.0	54.3	26.3	28.9	21.2	31.1	17.6
Aug., "(b)	912.2	748.1	281.3	21.0	53.5	26.2	29.8	21.2	31.0	17.9
Incr.(a) to (b)	9.7%	10.0%	23.0%	-3.2%	4.3%	3.1%	10.0%	2.4%	5.8%	-11.4%

ϕ Includes working proprietors.

⁺ Includes hospitals, professions, amusements, hotels, etc.

MANUFACTURING INDUSTRIES:

The large increase (23 p.c.) in employment in factories during the two years of war has raised the index number of factory employment 56 p.c. above the pre-depression peak of 1928-29:-

/Table.....

	<u>Av.</u> <u>1928-29.</u>	<u>Aug.</u> <u>1938.</u>	<u>Aug.</u> <u>1939.</u>	<u>Aug.</u> <u>1940.</u>	<u>Mar.</u> <u>1941.</u>	<u>June,</u> <u>1941.</u>	<u>Aug.,</u> <u>1941.</u>
Persons employed in Factories in N.S.W. - Thousands.							
Persons	180.8	228.9	228.7	248.3	269.8	276.3	281.3
Index No.	100	127	126	137	149	153	156

While employment has increased in almost all kinds of factories, the major increases are in those producing war supplies, e.g., in industrial metals, chemicals, etc., textiles and clothing and rubber. Iron and steel works are producing to capacity; coal production is probably at a record level (but has been affected by industrial stoppages); textile, clothing and boot factories are working hard filling local and oversea war orders.

The British Supply Mission found overtime working in Australian factories excessive and efforts are being made to achieve improvement in this respect. Man-power already is overtaxed and the problem of labour supply becomes more acute, as new plant reaches the production stage. New ordnance and munitions, Pratt and Whitney aero-engine and British Beaufort Bomber assembly factories are coming into full production. During the war the proportion of females to males working in factories has declined slightly (May, 1938, 26.22%, June, 1941, 25.89%), but future industrial expansion must depend in large degree upon recruitment of female labour.

A good deal of pre-war factory plant has been given over to war production and war work accounts, mainly, for the rising value of factory products sold, as it does also for the growing demand for light and power:-

		<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
<u>Gas and Electricity</u> <u>consumed (Sydney)</u>	Index No. 1929-31 = 100 August	128	135	137	151
<u>42 Large Factories (N.S.W.)</u>	July	3.03	2.96	3.51	4.64
<u>Value of Goods Sold.</u>	£ million Jan.-July	21.67	21.22	23.92	28.70

TRANSPORT. The State Railways have moved a greatly increased volume of goods consequent upon war activities and the curtailment of coastal shipping and of road transport. Trams and buses in Sydney and Newcastle also have carried a record number of passengers. Both services are expected to operate profitably again in 1941-42. Petrol rationing has caused new motor sales to dwindle and many motor vehicle registrations are not being renewed. In two years the number of registered motor vehicles has decreased by 27,915 including 12,980 in the three months ended August, 1941. The number of motor vehicles fitted with producer gas units is small but is increasing.

		<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
<u>N.S.W State Railways</u>					
Passengers	mill. July	15.6	15.2	15.5	16.8
Goods Ton Mileage	" "	162.1	146.6	238.3	185.4
Working Surplus	£000 "	372	370	808	623
<u>State Trams and Buses</u>					
Passengers	mill. July	29.9	29.9	31.6	38.1
Working Surplus	£000 "	45.5	43.0	57.0	67.1
<u>Motor Vehicles.</u>					
New Motor Sales	No. p. wk. Aug.	487	468	141	66
On Register - Cars	000 Aug. 31	206.0	216.6	205.2	193.8
Lorries &c.	000 "	73.6	77.5	74.6	74.9

FINANCE: The cash position of the trading banks has improved and is easy again; in Australia the ratio of cash and Treasury bills to deposits in August, 1941 was 20.1 p.c. and of advances to deposits 77.7 p.c. Small savings have increased as never before - deposits in savings banks increased by £1,194,000 in August and in Jan.-August, 1941, additions to savings accounts and purchases of War Savings Certificates totalled approximately £6.8 m.

		<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
Deposits in Savings Banks-Aug. 31.	£ mill.	82.2	86.3	87.0	83.1	89.7
Increase in year ended Aug.	£ mill.	2.44	4.08	.65 (-)	3.88	6.64

INTEREST
RATES.

Rates of interest paid on fixed deposits for 6, 12 and 24 months in Commonwealth and trading banks were reduced by one-quarter p.c. per ann. as from Sept. 22, 1941. The new rates are $1\frac{3}{4}$, 2 and $2\frac{1}{4}$ p.c. per ann. respectively. For three months' deposits the rate remains at $1\frac{1}{2}$ p.c. Current rates are lowest of post-depression years and compare with those of $3\frac{1}{2}$ to $4\frac{1}{4}$ p.c. in 1931, and 2 to 3 p.c. before the war.

Mortgage interest rates are very steady after declining during 1940. Market yields to investors in Government securities have decreased almost one per cent. during the war. On part-taxed bonds maturing in over 10 years the weighted average net redemption yield was £3. 3s. 1d. p.c. on Sept. 24, 1941, compared with £3. 3s. 2d. and £3. 4s. 5d. a month and a year earlier, respectively.

The Commonwealth Loan offer to convert £70 m. of local maturing (4%) debt and for £30m. cash for war finance opened for subscription on Oct. 7. Interest is at $2\frac{1}{2}$ p.c. for bonds maturing in 1945-46 or $3\frac{1}{4}$ p.c. maturing in 1950-57 and is subject to full Commonwealth income tax but not to State taxation; i.e., the same terms as for the £35m. War Loan of May last. The loan is to be open for subscription for six weeks unless closed earlier.

STOCK
EXCHANGE.

Prices of ordinary company shares touched the highest point on the Sydney Stock Exchange for over three years in the middle of September, but reacted subsequently and were lower at the close than at the beginning of the month. At present the market is steady. Index numbers of average value of ordinary company shares (par value = 100) have varied as under:-

	<u>Aug.</u> <u>1938.</u>	<u>Aug.,</u> <u>1939.</u>	<u>Aug.,</u> <u>1940.</u>	<u>June</u> <u>1941.</u>	<u>July</u> <u>1941.</u>	<u>Aug.</u> <u>1941.</u>	<u>Sept.</u> <u>1941.</u>
Index No.	179	174	155	166	168	170	173(8)

PUBLIC
FINANCE.

The former Commonwealth Government was defeated on its budget proposals which carried taxation into lower income fields and introduced compulsory saving. The new Government's proposals have not yet been outlined.

The State Budget forecasts a small surplus. The wages and special income taxes are abolished, but incidence of the State income tax is broadened and extended. Expenditure is set at £62.1m. compared with £61.6m. in 1940-41. State revenue and expenditure for first two months of 1941-42 compare with previous years as follow:-

NEW SOUTH WALES GOVERNMENTTWO MONTHS ENDED AUGUST

		<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941.</u>
Revenue	£mill.	7.44	7.56	7.34	8.95	9.74
Expenditure	£ mill.	8.57	8.33	9.26	9.92	9.90

PRICE RELA-
TIONSIPS.

Prices are under official control. There have been considerable but apparently unavoidable increases during the war period. Price movements however have not resulted in serious dispersion. Index numbers compare as follow:-

		<u>EXPORT PRICES</u> (in Aust. Currency) (C'wealth Stat'n.)	<u>WAGES</u> (Weighted Av. Weekly Rates - Males - N.S.W.)	<u>RETAIL PRICES</u> "All Items" (Wtd. Av. N.S.W.).
Average,	1928-29	100.0	100.0	100.0
June Qr.	1939	70.2	96.0	91.4
"	1940	88.4	97.1	95.1
"	1941	89.4	100.1(?)	99.9

COMMERCE AND
TRADE.

Bank clearings in Sydney register the effects of unprecedented Government spending and its repercussions. In the three months ended August the index number of bank clearings was 123 in 1941 compared with 99 in 1939. Wholesalers and retailers continue to experience active trading. The buying wave of May-June appears to have subsided. The major part of the increased value of sales at wholesale is due to Government buying of war goods. Real estate activity has shown a tendency to increase latterly but is less than in 1937 or 1938. Particulars of oversea trade of N.S.W. are not available, but returns for the Commonwealth indicate the efficacy of import control and a degree of success in meeting difficulties in maintaining export trade.

/Administration.....

Administrative arrangements regarding supplies from U.S.A. under the Lend-Lease Act have been made.

	BANK CLEARINGS. (Sydney).		REAL ESTATE. (N.S.W.)		WHOLESALE TRADE (.N.S.W.)		RETAIL TRADE (Sydney).
	Amount	Index No.	Sales	Mortgages	Sales		Sales
	Jan.-Aug.	June-Aug.	January-August.		June	Jan.-June	May-July
	£mill.	1926-30=100	£mill.	£ mill.	£mill.	£ mill.	Index No. 1931 = 100.
1938	614.5	101	25.76	17.83	14.98	94.42	138
1939	601.6	99	22.44	16.17	14.88	93.69	138
1940	706.6	118	20.11	11.75	17.07	97.74	146
1941	738.1	123	21.76	10.38	21.76	110.29	179

BUILDING. Tightening its control over use of resources for building, the Treasury now requires consent to be obtained for erection of any building containing more than two flats even if the estimated cost is less than £3,000. Buildings sanctioned must be commenced within six months, otherwise the consent given will lapse.

Building permits granted in Sydney and suburbs were £974,000 in Aug., 1941. Building is fairly active and roughly midway between the reduced 1940 and the 1938 post-depression high levels. Public building is considerable and in the Metro lis in Jan.-Aug. was £1,569,000 in 1941 compared with £546,000 in 1940. Types of private buildings other than houses, flats and factories have decreased greatly and in the city itself building is practically at a standstill. Housebuilding is at a record level but the number of dwellings of all kinds proposed was not as great in 1941 as in 1938 or 1939.

VALUE OF PERMITS FOR PRIVATE BUILDINGS - SYDNEY AND SUBURBS.

Jan.-Aug.	Houses	Flats (a)	Hotels, etc.	Shops (b)	Factor- ies(c).	Other Buildings	Total	Dwell- ings Pro- posed.
	Value of proposed buildings - £000.							No.
1938	4020	2391	417	375	686	1849	9,738	8,330
1939	3880	2188	313	375	985	1075	8,816	7,366
1940	3817	1425	495	226	635	709	7,307	5,996
1941	4691	1729	38	166	775	406	7,805	7,197

Includes (a) conversions to flats (b) shops with dwellings and (c) public garages.

RURAL INDUSTRIES. In each of the last six months rainfall has been below average, and although showers have prevented serious crop or stock losses copious rains or recurrent showers will be necessary to prevent rapid deterioration with the onset of summer. Accurate crop forecasting is not yet possible but present ideas of the wheat harvest are from 30 to 40 million bushels. (N.S.W.)

Dairy production is below normal. On the South Coast good rains have fallen but the Far North Coast is showing the effects of several rainless weeks.

The estimate of wool production in N.S.W. in 1940-41 (still subject to revision) has been raised from 518m. to 533m. lb. Indications are that the 1941-42 clip will be somewhat lighter.

THE WORLD WHEAT SITUATION.

Harvests of 1941-42 are likely to add to the very excessive world stocks of wheat. N. Hemisphere production is about as great as in 1940-41. There is some increase in Europe but on the Continent production remains below average. Prospects are good in Argentina and fair in Australia. More wheat storage space is being provided in exporting countries. World trade is relatively small. High prices in U.S.A. are due to A.A.A. measures. Elsewhere prices are steady. The local market is quiet.

THE SUPPLY SITUATION.

At 31st July, 1941 the four great wheat-exporting countries had in stock over a thousand million bushels of wheat available for export. This huge carry-over is increased by surpluses from current (1941-42) production to furnish supplies for the crop year ended July, 1942. Indications are that Canada and the United States will harvest about 450 million bushels in excess of domestic requirements. Australian and Argentine crops are not far enough advanced to permit of reliable estimates being made, but almost certainly they will provide considerably more wheat than can be used by those countries during the year.

Due to the blockade, etc., the consumption of wheat in the world has decreased, and if, as in 1940-41, world shipments are little more than 300 m. bus. the 1941-42 harvest will may add another 300 to 400 m. bus. to world stocks. The following statement shows how wheat stocks were disposed at the end of the wheat trade year:-

CARRY-OVER STOCKS OF WHEAT IN PRINCIPAL EXPORTING COUNTRIES.

Year ended July -		U.S.A. (a)	Canada.	Australia	Argentina	Total of Foregoing.
1937	m. bus.	85	33	25	45	186
1938	"	153	24	34	72	283
1939	"	252	95	42	230	619
1940	"	282	273	107	75	737
1941	"	390	448	42	127 (a)	1007

(a) Year ended June.

PRODUCTION 1941-42:

EUROPE -

Harvesting should be practically completed in all Northern Hemisphere countries. By this time of the year there are usually available harvest estimates from most countries where wheat growing is considerable. The war has blacked-out most European information but the United States Dept. of Agriculture has produced an estimate based on the best reports available to it. On the Continent the harvest may be 1,370 m. bus. compared with about 1,235 m.b. in 1940, 1,664 m.b. in 1939 and the record of 1,771 m.b. in 1938. In the five years ended 1938-39 the average quantity of wheat produced was 1,532 m. bus. (These figures exclude the United Kingdom).

The harvest was about average in Italy; barely average in Danubian countries; poor in Spain, Portugal, the Low Countries and Scandinavia; improved, but still below normal in France and Germany. Britain and Eire each had a record wheat harvest.

NORTH AMERICA.

The September estimate of United States production added another 43 m. bus. to the forecast quoted and compared in B.S. 1941/9A, p.7. At 957 m. bus. the U.S. harvest is the greatest ever garnered with the exception only of that of 1915. In Canada reduction in area, and relatively low average yield per acre in parts of Alberta and Saskatchewan resulted in a decrease in wheat production from the near record of 551 m. bus. in 1940 to 306 m.b. in 1941. Canadian experience was as follows:-

/Table.....

	<u>Av. 1934-38.</u>	<u>1938.</u>	<u>1939.</u>	<u>1940.</u>	<u>1941.</u>
Area - (Acres mill.)	25.04	25.93	26.76	28.70	21.70
Production (bus.)	263.45	360.01	489.62	551.39	306.46
Yield per ac. (bus.)	10.5	13.9	18.3	19.0	14.1

Bringing together information relating to a large proportion of wheat production in the Northern Hemisphere it is seen that a counter-balancing increase in Europe and decrease in North America leave production in that Hemisphere in 1941 much the same in total as in 1940.

WHEAT HARVESTS IN CERTAIN NORTHERN HEMISPHERE COUNTRIES.

Harvested in -	U.S.A.	Canada.	India.	Japan.	N. Africa.	Continental Europe.	Total of Foregoing.
	Million bushels.						
Av. 1934-38	717	263	366	47	117	1532	3042
1938	931	360	402	45	120	1771	3629
1939	751	490	371	61	150	1664	3487
1940	817	551	403	66	118	1235	3190
1941	957	306	374	58	115	1370	3180

The Chinese crop at about 700 m. bus. is not quite as large as in 1940. Owing to the German invasion it is not possible to gain an idea of Russian grain production this year.

AUSTRALIA. The area sown with wheat for grain in Australia is not yet known. Preliminary estimates show a decrease of 2.4 p.c. in South Australia and an increase of 2.6 p.c. in Western Australia. It is believed that the area under wheat in the Commonwealth differs little from that in the preceding year. Accurate forecasting is not yet practical but tentative private estimates provide some rough indication of harvest possibilities. The forecasts are: N.S.W., 35-40 m.b.; Vic., 36 m.b.; S.Aust., $34\frac{1}{2}$ m.b.; W.Aust., $34\frac{3}{4}$ m.b. and Q'land, 4 m.b. The total of $144\frac{1}{2}$ m. bus. may be revised considerably but a harvest not very wide of the wheat stabilisation objective of about 160 m. bus. seems likely. Conditions are uncertain in N.S.W. but are distinctly favourable in other States.

ARGENTINA. Sowing conditions were very favourable in Argentina. Extremely difficult marketing problems made maize and linseed crops unpopular and this probably caused many Argentine farmers to sow wheat and thus to sacrifice the official price guarantee open to growers who reduced their wheat area. The area, given tentatively as 17.57 m. acres compares with 17.6 m. acres in 1940-41 and 17.8 m. acres in 1939-40. In each 1937-38 and 1938-39 however, about 20 m. acres were sown. There was an abundance of rain during and prior to the growing period and the crops were reported as having developed satisfactorily. Late in last month, however, heavy frosts occurred in the northern wheat belt and these may have occasioned considerable damage. The harvest is likely to yield a considerable export surplus and prospective problems of storage are occasioning concern. Argentina is only now establishing a bulk handling and storage system.

WHEAT STORAGE. In all the major wheat exporting countries the storage of grain has required special action. Private elevators and terminals have been extended in U.S.A. and loans are available to farmers to provide storage facilities on farms. In some States the railways have refused to load wheat until evidence of prior arranged storage at point of destination is supplied.

The Australian Wheat Board plans to establish new wheat depots for No. 5 Pool intermediary between the country and ports and at least five miles from depots holding 1939-40 and 1940-41 wheat. The object is to minimise the danger of infection with weevil and other vermin. The Board holds in store much wheat owned by the British Government. Storage charges on this are $1\frac{1}{4}$ d. a bus. for bagged and $1\frac{1}{3}$ d. a bus. for bulk wheat if stored in a depot for one year. If stored for two years the cost will be $2\frac{1}{3}$ d. and $1\frac{3}{4}$ d. per bus., respectively.

/National.....

NATIONAL
WHEAT
POLICIES.
U.S.A.

From a trade source it is reported that the U.S.A. Dept. of Agriculture has announced that it does not favour a reduction of acreage on account of war conditions. The 1942 national acreage allotment of 55 m. acres was announced on May 22, 1941 following upon proclamation of a wheat marketing quota for the 1942 crop. A quota applies to the 1941 crop as approved by 81 per cent. of the farmers voting on May 31, 1941.

The high price for wheat being received by U.S.A. farmers is due entirely to Agricultural Adjustment Administration intervention. In 1942-43 the United States expects to have a supply of 1,300 m. bus., comprising 640 m.b. carry-over and a 1942 crop of 660 m. bus. - the yield at average rate on the 55 m.ac. national allotment.

Normal domestic consumption and exports take 739 m.b. including 690 m. b. consumed in U.S.A. Adding a 35 p.c. reserve the marketing quota level becomes 998 m. bus., below which the supply must fall before the quota can be lifted.

Producers keeping within their acreage allotment may market all their wheat, or obtain a Government loan which may be redeemed at the producer's option. Those exceeding the acreage authorised can (a) give excess production to the Dept. for relief or other purposes; (b) store it and apply this year's excess to any deficiency next year and obtain a loan of 60% of the normal rate on the excess production; or (c) pay a penalty of 49 cents (= 50% of the loan amount of 98 cents) and then market the excess. It is understood that farmers were surprised at the high penalty rate and have been campaigning for a reduction. It is reported that there is a move afoot to substitute 1919-29 for 1909-14 as the base period for A.A.A. parity calculations. This would mean a further 20 p.c. rise in agricultural prices.

AUSTRALIA. Of the Commonwealth Government's vote of £500,000 for reconstruction of marginal wheat lands (in the second of the four years in which it is to be made) New South Wales is to receive £175,000. The money is to be applied to finance transference of some settlers from marginal wheat lands, giving those remaining prospects of farming successfully on enlarged holdings devoted to diversified farming objects.

AUSTRALIAN
WHEAT
POOLS.

No further payment in respect of wheat in No. 4 Pool has yet been made. The following schedule shows the amounts paid in advances by the Wheat Board. No. 3 Pool comprised a small quantity of inferior quality 1939-40 wheat which was excluded from No. 2 pool and for which payments were 3d. a bus. less than for wheat in No. 2 Pool.

	<u>No. 1 Pool.</u> (Pt. 1938-39 Harvest).	<u>No. 2 Pool.</u> (1939-40 Harvest)	<u>No. 4 Pool.</u> (1940-41 Harvest).
Quantity acquired.	17.84 m. bus.	195.72 m. bus.	64.0 m. bus.
Advances made			
Bulk Wheat	2s. 7.91d.	3s. 4 ⁵ / ₈ d.	3s. 2 ¹ / ₂ d. (a)
Bagged "	2s. 9.91d.	3s. 6 ⁵ / ₈ d.	3s. 4d. (a)
Equiv. ex farm at country siding	(b)	2s. 11d.	2s. 9d. (a)

(a) Advances to date. (b) Very little of this wheat was in growers' hands at time of acquisition.

TRADE. World shipments of wheat averaged (according to trade figures) about 4¹/₂ m. bus. a week over the past five weeks or rather less than 40 p.c. of the pre-war average. Britain has taken delivery of Canadian wheat and purchased some wheat in Argentina. Egypt and India have enquired for Australian wheat and Turkey has taken some Australian flour. In general, however, the wheat trade, other than with the United Kingdom, is at a very low level. An American private source estimates Japanese imports in 1941 as about 6 m. bus. of which approximately 50 p.c. was from Australia. Spain and Portugal have drawn most of their imports from Argentina. For some months domestic crops may limit necessity for the Iberian countries to import wheat, but considerable imports will be required before the close of this crop year.

/PRICES

PRICES. In Chicago Dec. options touched 124 $\frac{1}{4}$ cents a bus. on May 9 and after easing slightly were at 123 $\frac{1}{4}$ cents again on Oct. 1, 1941. The American market is artificially sustained and the prices there - 60 p.c. higher than in Sept., 1940 - contrast with those in Winnipeg, which though pegged, more or less reflect values in London. December futures in Winnipeg averaged only 74 $\frac{1}{2}$ cents a bus. in Sept., 1941 compared with 73 $\frac{3}{8}$ cents a bus. in September, 1940. Wheat parcels in London have changed but little over many months and compare as follow:-

PRICES OF WHEAT PARCELS - LONDON BALTIC EXCHANGE.

	<u>June,</u> <u>1937.</u>	<u>Sept.,</u> <u>1938.</u> ø	<u>Sept.,</u> <u>1940.</u>	<u>July,</u> <u>1941.</u>	<u>Aug.,</u> <u>1941.</u>	<u>Sept.,</u> <u>1941.</u>
Shillings and pence per quarter (8 bus.) (end of month).						
No. 1 Manitoba	51 7 $\frac{1}{2}$	28 1 $\frac{1}{2}$	32 6	31 4 $\frac{1}{2}$	31 0	31 3
Rosafe (A'time)	n.q.	25 9	21 6	21 0	21 0	21 3
Sth. Australia	45 0	27 6	26 9	27 6	27 6	27 6

ø Sept. 20. n.q. Not quoted.

LOCAL MARKET. No wheat (grain) is available for export from N.S.W. and trading is quiet. Millers have bought steadily for the local flour trade, and have taken wheat for gristing for export flour from time to time. Prices as fixed by the Australian Wheat Board are unchanged. For bulk wheat for local flour the price is 3s.11 $\frac{1}{2}$ d. a bus. ex trucks, Sydney - the same as a year ago and 75 p.c. higher than in the pre-war month (Aug., 1939 - 2s.3d. a bus.) The course of wheat prices in Sydney was:-

PRICES OF BULK WHEAT - SYDNEY.

Monthly Averages - Per Bushel, ex Trucks, Sydney. ø
(Excluding bounty and including storage charges when payable).

	<u>Av. for</u> <u>Season.</u>	<u>Dec.</u>	<u>May.</u>	<u>June.</u>	<u>July.</u>	<u>Aug.</u>	<u>Sept.</u>
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
1933-34	2 9	2 7	2 7	2 9	2 11	3 3	3 0
1936-37	5 3	5 4	5 4	5 1	5 7	5 3 $\frac{1}{2}$	5 3
1938-39	2 5	2 6	2 7	2 5	2 3 $\frac{1}{2}$	2 3	2 9
1939-40	3 10 $\frac{1}{2}$	3 5	4 0	4 0	4 0	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$
1940-41	-	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$

ø Shippers' offers to Dec., 1939; Aust. Wheat Board's price for wheat for local flour subsequently.

FLOUR. Although no large contracts for flour for export have been disclosed trade reports indicate that appreciable quantities of Australian flour are being sent oversea, and local flour mills appear to be well employed. The price of flour sold at wholesale in Sydney has been £12 13s. a ton since Nov. 14, 1940. Flour tax (at the rate of £2 8s. 10d. a ton since Oct. 23, 1940) is included in this price.